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Wave of Arab Migration Ending With Oil Boom

The following article is based on reporting by John Kifner and Judith Miller and was written by Miss Miller

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CAIRO — More than a million migrant Arabs working in countries throughout the Middle East are being forced to return home, in large part because of the end of the decade-long oil boom.

The development, which is bringing to an end the largest Arab migration in modern Middle Eastern history, holds potentially grave consequences for economic and political stability and

United States interests in the region, according to Arab and American officials and diplomats, as well as experts on migration and politics in nine Middle East countries.

These sources said that the projected return home of 1 million to 1.5 million migrant workers by the end of 1986 and a sharp decline in remittances, the amount of money the workers send home, would be of particular concern in the region's poorer countries, including Egypt and Jordan.

Rise of Extremism Feared

Officials said they were also concerned that large numbers of frustrated, unemployed workers who once enjoyed high incomes and even higher economic expectations may be increasingly drawn to Islamic fundamentalism or other forms of political extremism.

A study completed last summer by the Central Intelligence Agency concluded that the return of hundreds of thousands of unemployed workers to their home countries posed a particular threat to the stability of United States allies in the region — Egypt, Jordan, the Sudan and Yemen, all of which have been major exporters of labor to the Persian Gulf.

The C.I.A. study has not been made public, but details of it were made available to a reporter. It did not make specific policy recommendations, but since it was completed United States embassies in the region have stepped up efforts to collect reliable data on migration and remittances, officials said.

"This is one of the most critical, least studied and potentially explosive developments in our region's modern history," said Saad Eddin Ibrahim, a pro-

fessor at the University in Cairo who heads the Arab Thought Forum, a research center in Jordan.

"It's a demographic time bomb," said Judith Kipper of the American Enterprise Institute in Washington.

Mohammed Sid Ahmed, a political analyst who writes for the Cairo opposition newspaper *Al Ahali* and for the semi-official daily *Al Ahram*, said that "the number of Moslem extremists is tiny."

But, he added, "An economic frustration mounts, a triggering minority and a discontent majority that is culturally sympathetic to Islamic values and goals and which has no hope that the Government will help them, is an explosive combination."

"This migration has uprooted and dislocated people as never before," he said. "But its end is even more dangerous. What initially seemed an outlet for economic frustration is destined now to fuel it."

Arab and Western diplomats in Cairo said the implications were particularly critical for Egypt, which accounts for 43 percent of all Arab migrant laborers. The Egyptian Government has said that its workers abroad sent home \$3.3 billion last year. Egyptian officials say the sum is the country's single most important source of foreign currency; unofficial estimates put the figure even higher, at \$6 billion to \$10 billion a year.

The decline in jobs has already prompted requests from Egypt for increased United States aid to offset the drop in remittances, according to American officials in Washington.

At least 500,000 of the 2.5 million to 3.5 million workers who have migrated from Egypt to the Persian Gulf countries and other Middle Eastern lands are likely to be sent home within the next year, and 2 million within the next five years, according to Professor Ibrahim.

Kamal Ganzouri, Egypt's Deputy Prime Minister and Minister of Planning, offered a different assessment, saying 100,000 workers or more would permanently return by the end of 1986 and probably only 800,000 in the next five years. The Government was planning for their return in its next five-year development plan, which begins July 1987, he said.

"Since we have severe labor shortages in several sectors, our problem is not their return per se," Mr. Ganzouri said. "It is where they will go when they return. We're trying to build new communities in the desert because Cairo simply can't handle any more people."

Pressure Is Widespread

In Libya, according to resident diplomats, more than one-third of the foreign workers have already been laid off or pushed out. At their peak in 1983, an estimated total of 400,000 foreign laborers made up more than 45 percent of the work force and sent more than \$2 billion a year to their home countries.

Sudanese officials said earlier this year that the 200,000 Sudanese migrant workers, some in Egypt and the majority in the gulf, had generated \$1 billion in remittances in 1984. Although only a fraction was channeled through the official banking system, they said, remittances were a key source of hard currency, the loss of which could be disastrous for the transitional military Government that overthrew President Gaafar al-Nimeiry last spring.

The 400,000 Yemenis earning wages in Saudi Arabia have provided Yemen with its largest source of hard currency for a decade, according to Yemeni officials and diplomats in Sana, the capital. In 1983, official remittances totaled \$1.2 billion, compared with the \$10 million Yemen earned that year from exports.

In Jordan, more than one-third of the labor force is working abroad. As a result of these remittances, the Jordanian economy had flourished until recently. Also until recently, more than 120,000 Egyptians worked in Jordan, most of them in agriculture and service jobs.

The sharp contraction of opportunities in the Persian Gulf has begun to force the departure of these workers as well, reducing the number of Egyptians in Jordan to between 80,000 and 90,000, diplomats said. They said many Egyptians were being replaced by Palestinians who had lost lucrative jobs in the gulf region.

Diplomats estimated that from 1.2 million to 1.5 million Egyptians have been working in Iraq for several years, taking on the work of farmers, civil servants, office workers, teachers and coffee-servers, working in restaurants and hotels, and even serving as soldiers at the front. Although the Egyptian and Iraqi Governments deny this, senior Egyptian officials said 35,000 Egyptians who were said to be volunteers were fighting in the Iran-Iraq war.

Because of the war, almost half of the jobs in Iraq are being performed by Egyptians, according to officials in Cairo and Baghdad. Should the war end, many would be forced to return home, they said. But for now, the diplomats said, Iraq was the only oil-producing nation in the region in which workers were not being laid off or expelled in large numbers and were unlikely to face such problems.

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Migrants Bring Tension

Throughout the Persian Gulf in the last decade, foreign workers have vastly outnumbered citizens of the host nations. The presence of so many foreigners in these conservative lands has enabled the gulf countries, especially Saudi Arabia, to develop economically in record time. The presence of so many foreigners in these tribally organized societies, however, has also generated political tension, according to Arab officials, diplomats and other sources.

"Saudi Arabia, in particular, coped with the vast foreign presence — about 1.8 to 2 million foreigners — by creating a deeply inequitable dual society," said Judy Barsalou, a migration expert for the Ford Foundation in Cairo.

Saudi citizens enjoyed rights and benefits denied foreigners, she said. Foreigners flocked there, but deeply resented the lack of recognition of their contribution to Saudi development and the restrictions placed on them.

Foreigners in Saudi Arabia cannot buy land or homes and are not eligible for health, education or insurance benefits. They are not permitted to engage in certain businesses and can be dismissed peremptorily.

"In sum," Mrs. Barsalou said, "the foreigners were needed, but deeply resented."

In the 1980's, however, oil production among the 13 members of the Organization of Petroleum Exporting Countries has dropped drastically, and it is now half the level it was six years ago. One reason is a marked increase in worldwide energy conservation in response to the skyrocketing of oil prices in the 1970's; the prices reached a peak in 1981 of \$34 a barrel, which is \$6 more than the official OPEC marker price today. The other reason is increased oil production from non-OPEC members, principally Britain and Mexico.

According to industry figures, Saudi Arabia's income from oil has plummeted from \$120 billion in 1980 to \$43 billion last year. According to industry estimates, it may drop to \$25 billion in 1985. As the oil revenues have fallen, pressure to evict expatriates has increased dramatically throughout the Arabian Peninsula.

Replacement by Asians

Although the collapse of the oil market is the major cause of the return of the Arab migrant workers, Arab and Western sources say there are also two other factors that are somewhat related.

First, they said, many Arab workers are being replaced by Filipinos, Ceylonese and other Asians, who have become particularly noticeable in service industries such as hotels and restaurants. They work for far lower wages and in many instances, it is considered, work more efficiently.

In addition, the Asian workers are regarded as less of a threat to the stability of the local society because they share few cultural ties with the Arabs and tend to keep to themselves. Many Pakistanis, South Koreans and other foreign building contractors offer a kind of package in which they house their workers on the site.

The second factor — one that increases the attractiveness of the Asian workers — is fear on the part of the conservative gulf monarchs that radical ideologies might sweep the area, particularly the revolutionary brand of Islamic fundamentalism espoused by the Iranian leader, Ayatollah Ruhollah Khomeini.

Kuwait, for example, recently expelled some 6,000 people, almost all of them Shiite Moslems of Iranian or Lebanese descent, in a security crackdown after a series of incidents that included

suicide truck-bomb attacks on the American and French Embassies, an airline hijacking to free 17 men convicted of the bombings, an attempt by a suicide car-bomber to assassinate the country's ruler and bombings in two popular seaside coffee houses.

The C.I.A. study, the agency's first attempt to assess the political impact of migration, divided it into two categories. The first, identified as "non-destabilizing," was described as migration that includes laborers who had long-term contracts or a long-term presence in a host country.

The study concluded, by contrast, that the migration to many gulf nations has potentially been of the "destabilizing" variety, both because of its possible impact on the sheikdoms and because of the likelihood that vast numbers of workers would eventually be expelled.

Impact in Egypt

In the last several years, Saudi Arabia has already replaced many Egyptian construction workers and those in the lesser-skilled trades with cheaper labor from Pakistan, Sri Lanka and the Philippines, according to Saudi officials in Riyadh.

Since most Egyptians in Saudi Arabia are professionals — teachers, doctors and skilled craftsmen — they have not been as severely affected by Saudi Government cutbacks.

The situation appears bleaker for the 300,000 Egyptians in Kuwait and the smaller gulf nations, officials said.

Western business officials and embassy officials in Cairo say they have increasingly been approached for jobs in the last few months by well-educated Egyptians whose contracts were not renewed in Abu Dhabi, Kuwait and the United Arab Emirates.

The impact on Egypt of remittances from the gulf is evident throughout the country. They have supported extended families, generated small businesses and prompted an explosion of consumer spending.

"Remittances have transformed life in many Egyptian villages," said Elizabeth Taylor, a British sociologist, who is the leading expert on the impact of migration on Egyptian village life.

Traditions Changes

Egyptians, she said, were a traditionally sedentary people with a strong attachment to the Nile Valley. But when lured by the availability of well-paying jobs in the gulf and encouraged

by President Anwar el-Sadat's "open door" economic policy, which loosened travel and work restrictions, Egyptian men left farms and villages in the mid-1970's in numbers that had not been seen before.

Some villages were virtually untouched, Mrs. Taylor said, but in others more than 50 percent of the active male labor force emigrated.

Many of these men have returned, once a year, with televisions and video players, refrigerators, electric fans, washers and other consumer goods that had not been seen before in Egyptian villages. Others have used remittances to purchase trucks and irrigation pumps that have increased agricultural productivity on family farms.

The labor migration, however, has had negative aspects as well, Mrs. Taylor said.

Traditional family life has been severely disrupted, and Egypt has experienced labor shortages in skilled trades and professions that it can ill afford, Mrs. Taylor said.

"On balance, however, the migration has been a major cause of Egypt's relative prosperity in the past decade," Professor Ibrahim said. "To the extent that many villages have become dependent on continuing export of labor to the gulf, and to the extent that this outlet is now being closed, the situation for Egypt will be precarious unless the Government creates jobs for the returnees."

Need for New Jobs

A report on economic trends published last April by the United States Embassy in Cairo cited the creation of new jobs as one of the most serious challenges facing the Government. With a population of 49 million that is expanding by a million every eight months and in which 50 percent of the population is less than 21 years old, "between 350,000 and 400,000 new jobs must be created each year just to absorb entrants to the labor force," the report concluded.

Professor Ibrahim estimated that Egypt would have to create an additional 500,000 jobs a year for the next five years to accommodate returning workers.

"The expulsion this summer of some 20,000 workers from Libya was a loud early warning of what is to come," Mr. Ibrahim said. "Gulf countries may eject expatriates with more compassion and finesse, but it will be done."